

# STATE OF INDIANA



INDIANA UTILITY REGULATORY COMMISSION  
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**APPLICATION OF INDIANA GAS  
COMPANY, INC. D/B/A VECTREN  
ENERGY DELIVERY OF INDIANA  
INC. ("VECTREN NORTH") FOR APPROVAL  
OF CHANGES IN ITS GAS COST  
ADJUSTMENTS IN ACCORDANCE WITH  
I.C. 8-1-2-42(g) AND 8-1-2-42.3.**

JAN 28 2005

INDIANA UTILITY  
REGULATORY COMMISSION  
CAUSE NO. 37394-GCA85

You are hereby notified that on this date the Indiana Utility Regulatory Commission ("Commission") has caused the following entry to be made:

The Presiding Officers have reviewed the evidence presented in this matter and hereby find that Petitioner's witnesses should be prepared to address the following issues during the Evidentiary Hearing in this matter on February 1, 2005:

1. Please explain why sales for the reconciliation period were lower than expected and why estimates for gas costs for the same period differed from estimated gas costs by amounts ranging from approximately \$.50 to over \$1.50.
2. Please identify whether Line 2 of Schedule 11 reflects gas for transportation customers.
3. Please explain the difference between Lines 2b and 8a on Schedule 11.
4. Please clarify whether residential GCA customers will pay for unaccounted for gas ("UAF") resulting from transportation customers.
5. Petitioner's purchased gas for March, a heating month, is less than its monthly purchases for April and May, which are "shoulder"/injection months (see Schedules 1 and 3). Consequently, is the total of consumption sales for the individual months of April and May actually less than in March as estimated in Schedule 2A?
  - a. Would this compound the under collection of gas cost that Petitioner raised in GCA 83?


- b. Please explain why Petitioner would buy more gas for a non-heating month than for a heating month. If the explanation is related to storage, why was it not included on Schedule 5, "*Estimated Cost of Gas Injected or Withdrawn from Storage and Delivery Services*"?
  - c. Please explain the quantities of purchased gas reflected as negative on Schedule 3 for the months of April and May for zones 3 and 4 of supplier Texas Gas.
6. The GCA factors proposed for April and May are +\$1.2 per Dth more than the proposed factor for March even though the variance component allocated to March is approximately double that of April and almost triple that of May. Please explain whether this is caused by larger quantities of gas being purchased in April and May.
7. On page 11 of his prefiled testimony, Mr. Pergola explains that the capacity release revenues are credited on Schedule 8 as follows:

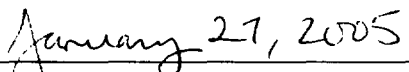
For June, 2004:	\$15,587 in July, 2004, invoice
For July, 2004:	\$16,725 in August, 2004 invoice
For August, 2004:	\$15,349 in September, 2004 invoice

However, Schedule 8B, page 2 of 2, shows credits of \$432,670, \$433,808, and \$432,432 for June, July and August, respectively. Please explain this discrepancy.

**IT IS SO ORDERED.**

  
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Larry S. Landis, Commissioner

  
\_\_\_\_\_  
Andrea L. Brandes, Administrative Law Judge

  
\_\_\_\_\_  
Date